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FM AMEMBASSY LISBON
TO RUEHC/SECSTATE WASHDC 5529
INFO RUEHSS/OECD POSTS COLLECTIVE
RUEHGG/UNSC COLLECTIVE
RUEKJCS/SECDEF WASHDC
RHEHNSC/NSC WASHDC
RUCPDOC/DEPT OF COMMERCE WASHDC
RUEATRS/DEPT OF TREASURY WASHDC

UNCLAS LISBON 000279

SIPDIS

SENSITIVE
SIPDIS

STATE FOR EB/IFD/ODF - LADD CONNELL
EB/IFD/OMA - JAMES GARRY
NEA/IR - BRENDAN HATCHER
IO/T - HEATHER VON BEHREN

E.O. 12958: N/A

TAGS: EFIN MNUC PREL EXIM UNSC OECD IR PO
SUBJECT: PORTUGAL'S EXPORT CREDIT AGENCY: NO EXPOSURE IN
IRAN

REF: STATE 4760

¶1. (SBU) Ministry of Finance Coordinator Teresa Costa told post that Portugal's Export Credit Agency, COSEC, did not have any exposure in Iran, according to September 2006 records. Costa did note that Iran is open for both short and mid/long term export credit insurance, the former requiring an irrevocable letter of credit or bank guarantee and the latter a sovereign guarantee. COSEC mostly extends coverage to operations in Angola, Mozambique and Cape Verde.

¶2. (SBU) The State's Financial Guarantees Council (FGC) sets the guidelines by which COSEC extends export credit insurance, bond insurance and project financing. The government is in the process of reconfiguring the FGC to include a member from the Ministry of Foreign Affairs in addition to current representatives from Finance, Commerce and Banking. Foreign Minister Amado has been outspoken in publicly calling for sanctions against Iran, and Costa did not believe there was much, if any, interest in Portugal in doing business with Iran. She promised to pass reftel points on to the FGC.

Hoffman